



COUNTY OF LOS ANGELES TREASURER AND TAX COLLECTOR


KENNETH HAHN HALL OF ADMINISTRATION
500 WEST TEMPLE STREET, ROOM 432
LOS ANGELES, CA 90012
TELEPHONE: (213) 974-2101 FAX: (213) 625-2249



MARK J. SALADINO
TREASURER AND TAX COLLECTOR

May 8, 2002

TO: Bobi Johnson, Deputy, First Supervisorial District
Clinton Tatum, Senior Deputy, Second Supervisorial District
Brence Culp, Deputy, Third Supervisorial District
Sheri Sakamoto, Deputy, Fourth Supervisorial District
Bob Hauter, Deputy, Fifth Supervisorial District

FROM: Mark J. Saladino
Treasurer and Tax Collector 

SUBJECT: **MAY 21, 2002 AGENDA ITEM
COMMUNITY FACILITIES DISTRICT NUMBER 3
IMPROVEMENT AREA C (VALENCIA/NEWHALL AREA)
PETITION BY LANDOWNER TO REDUCE THE AMOUNT
AUTHORIZED FOR BONDED INDEBTEDNESS AND CHANGE THE
RATE AND METHOD OF APPORTIONMENT OF SPECIAL TAXES**

My office intends to file the attached letter this week for inclusion on the agenda of the Board meeting scheduled for May 21, 2002. Following is some additional background information on the item.

In 1989, the Board approved formation of Community Facilities District Number 3, including Improvement Areas A, B and C, in the Stevenson Ranch area of Valencia/Newhall to finance infrastructure improvements. The bonds authorized for Improvement Areas A and B have been sold and construction of infrastructure in those areas is complete. Construction of the final phase of the development in Improvement Area C has recently begun. The resolution of formation adopted by the Board in 1989 authorized \$15 million for Improvement Area C that remains unissued.

In 2000, the developer of Improvement Area C, Lennar Homes (the managing member of Stevenson Ranch Venture, LLC, the owner of record) requested and obtained Regional Planning approval to update their conditional use permit. They are now requesting that the County amend the existing Rate and Method of Apportionment of Special Taxes (RMA) included in the original resolution of formation. The RMA specifies how the special taxes are to be calculated each year for all property within the Improvement Area. Special taxes are levied annually and collected for payment of principal and interest due on bonds. The amended RMA would reduce the maximum

Bobi Johnson, et al.
May 8, 2002
Page 2

special tax for Improvement Area C to levels at or below the maximums of comparable properties in Improvement Areas A and B and provides for reduced maximum special taxes on apartment units to facilitate the development of affordable housing within the district. In consideration of the reduced maximum taxes, they have also agreed to reduce the maximum amount of bonds authorized from \$15 million to \$9 million.

The requested changes are commensurate with the updated land use plans, provide for lower special taxes and appear to be in the best interests of current and future residents of the Stevenson Ranch project. Accordingly, the department has recommended proceeding with the proposed changes to amend the existing RMA.

The process of amending the RMA requires a public hearing and a landowner election to approve the changes. The process will take approximately 8 to 10 weeks to complete following adoption of the resolution of consideration. Following that, it is our intention to issue bonds later this year. All costs incurred by the County to make these changes will be reimbursed by Lennar Homes.

I hope this information is helpful; however, if you require additional information, please notify Deborah Lindholm, Assistant Treasurer and Tax Collector, at 974-7175 so we can schedule and agendaize a meeting prior to the May 21st Board meeting to comply with the Brown Act.

MJS:DL:CH
Z:\Board\cfd3c-bddep



**COUNTY OF LOS ANGELES
TREASURER AND TAX COLLECTOR**

KENNETH HAHN HALL OF ADMINISTRATION
500 WEST TEMPLE STREET, ROOM 432
LOS ANGELES, CA 90012
TELEPHONE: (213) 974-2101 FAX: (213) 625-2249



MARK J. SALADINO
TREASURER AND TAX COLLECTOR

May 8, 2002

The Honorable Board of Supervisors
County of Los Angeles
383 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, CA 90012

Dear Supervisors:

**RESOLUTION OF CONSIDERATION TO CHANGE THE
RATE AND METHOD OF APPORTIONMENT OF SPECIAL TAX AND
TO REDUCE AUTHORIZED BONDED INDEBTEDNESS FOR
COMMUNITY FACILITIES DISTRICT NUMBER 3 IMPROVEMENT AREA C
(VALENCIA/NEWHALL AREA)
(FIFTH DISTRICT) (3-VOTES)**

**IT IS RECOMMENDED THAT YOUR BOARD, ACTING AS THE LEGISLATIVE BODY
OF COMMUNITY FACILITIES DISTRICT NUMBER 3:**

1. Adopt a Resolution of the Board of Supervisors of the County of Los Angeles acting as the Legislative Body of Community Facilities District Number 3, declaring its intention to change the Rate and Method of Apportionment of Special Tax for Improvement Area C of Community Facilities District Number 3 and reduce the amount of authorized bonded indebtedness from \$15,000,000 to \$9,000,000.
2. Set the time and place for a public hearing.
3. Publish and mail notice of public hearing. And,

AFTER THE PUBLIC HEARING, IT IS RECOMMENDED THAT YOUR BOARD:

- a. Determine, in reliance upon the information and representations provided at or before the public hearing, to reduce the amount of authorized bonded indebtedness from \$15,000,000 to \$9,000,000 and to replace the existing rate and method of apportionment of special tax to be levied.

- b. Submit the proposition of reducing the amount of authorized bonded indebtedness and the change in the rate and method of apportionment of special tax to the qualified electors of the district.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

Stevenson Ranch Venture, LLC, the landowner of all of the property in Community Facilities District Number 3, Improvement Area C, has petitioned the Board to amend the rate and method of apportionment of special taxes. The amendment would reduce the maximum special taxes to rates equal to or less than the rates for single-family residences in the adjacent Improvement Area B and reduce the maximum special taxes on apartments to facilitate development of affordable housing. In consideration of the reduced special tax rates, the landowner has also agreed to a reduction in the amount of authorized bonded indebtedness from \$15,000,000 to \$9,000,000.

The resolution forming Community Facilities District (CFD) Number 3 (Valencia/Newhall Area) was adopted by your Board on June 8, 1989. Bonds were issued in 1989 for Improvement Area A and are in good standing. For Improvement Area B, bonds were issued in 1989, 1995, 2000 and 2001; all are in good standing. Development of Improvement Areas A and B is substantially complete and there will be no further bonds issued for these improvement areas.

In November 2000, the landowner requested a revision to the tentative tract map for Improvement Area C to reduce density from 936 to 833 residential units, increase the number of detached single-family residences, and add a school site, a park site, and other enhancements to the plan. Subsequent to approval by the Regional Planning Commission of the revised tract map in February 2001, the landowner has requested that the rate and method of apportionment of special tax (RMA) be revised to conform to rates established for Improvement Area B, including reducing the special tax rates for apartments to facilitate development of affordable housing in Area C. It was further requested that there be a corresponding reduction in the authorized bonded indebtedness to correspond with the adjusted maximum tax rates prescribed in the RMA.

The Honorable Board of Supervisors
May 8, 2002
Page 3

Implementation of Strategic Plan Goals

This action supports the County's Strategic Plan Goal of Organizational Effectiveness through collaborative actions among County departments and other governmental jurisdictions. In addition, it supports the Strategic Plan Goal of Fiscal Responsibility by utilizing public-private partnerships for the investment in and development of regional benefit public infrastructure in the County.

FISCAL IMPACT/FINANCING

There is no fiscal impact on, or financing required of the General Fund.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

Government Code Section 53332 requires that the legislative body adopt a resolution of consideration within 40 days following the receipt of a petition, signed by owners of 25 percent or more of the territory within the district, that requests proceedings be commenced to change the rate or method of apportionment of an existing special tax.

Government Code Section 53334(e) requires that a public hearing be held not less than 30 or more than 60 days after the adoption of the resolution of consideration by the local governing body.

Notice of public hearing in the form required by Government Code Sections 53335 and 53322(a) is to be published in a newspaper of general circulation in the area of the district at least seven days prior to the date of the hearing.

Mailing of the notice of public hearing at least 15 days before the hearing to each registered voter and landowner within Improvement Area C is provided for in Government Code Sections 53335 and 53322.4.

IMPACT ON CURRENT SERVICES (OR PROJECTS)

Not Applicable

The Honorable Board of Supervisors

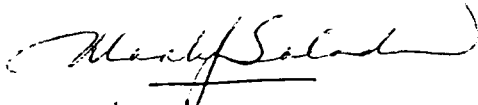
May 8, 2002

Page 4

CONCLUSION

Upon Board action, please forward two copies each of the adopted letter, certified copies of the minute order and resolution and the notice of public hearing to the Department.

Respectfully submitted,



MARK J. SALADINO
Treasurer and Tax Collector

MJS:DL:GB:CH

Z:Board:valencianewhall c

Attachments (2)

- c: Executive Officer, Board of Supervisors
Chief Administrative Officer
Auditor-Controller
County Counsel